

Draft – Work in Progress

To: Renewable Advisory Board

From: Janice McClanaghan,
Energy Office

Date: September 1, 2005

Subject: Update

The following is the September 2005 monthly update for the Renewable Energy Fund:

RES Programs/Supply

- 1) RES Negotiating Rulemaking – The final meeting of the RES Negotiating Committee has taken place. See attached final package to the PUC.
- 2) Biomass Co-firing for RES-eligible Supply - as a result of exploratory conversations with Dominion, owner of the Brayton Point and Salem Harbor coal plants in Massachusetts, Dominion is commissioning its consultant to do an eligible fuel supply survey. They have also just been provided with a 2002 study of "the Woody Biomass Supply in Massachusetts: A Literature-Based Estimate". They are awaiting receipt, review and evaluation of this market information before deciding whether to pursue a feasibility study of biomass co-firing at either plant.

Wind Projects (On-Site and Grid-Connected)

- 3) URI –Final plans are being made to install the anemometer on the WRIU radio tower.
- 4) Portsmouth Abbey Wind –The Abbey has signed a contract with Vestas for the purchase of the turbine. Soil borings have been taken in anticipation of the foundation being poured this summer. The turbine will be installed in Spring 2006.
- 5) Raytheon – Boreal has provided a draft report on their efforts relating to Task 1 of the feasibility study which will be circulated once it is finalized.
- 6) Roger Williams University Wind Center – See attached update.
- 7) Avian Issues – CESA filed extensive substantive comments on draft guidance document on wind siting and avian impacts in July. Since then, negotiations between CESA and USFWS have continued on establishing a collaborative to consider state and other stakeholder input on draft guidance document. In part based on CESA input, the Service has decided not to go forward with finalizing any guidance until there is a formal process to consider input from CESA, AWEA, and other stakeholders. The Service has put Dr. Ben Tuggle in charge of the initiative, and Mr. Tuggle has expressed interest and support for several of CESA's recommendations: use of adaptive management approach; flexibility and respect for state and geographic factors rather than one-size-fits-all approach to addressing wind/avian issues, etc. CESA also has met extensively with AWEA to propose establishment of a small planning group with USFWS to reach agreement on a collaborative process. CESA and AWEA hope to meet with USFWS this fall to finalize collaborative approach.

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- 8) Berkshire Wind – (Bob Grace in process of requesting update.)

Hydro and Ocean Technologies

- 9) Energetech Point Judith Ocean Wave Project – Cynthia Rudge will be providing an update at the September 13, 2005 meeting on both the Port Kembla project (which has been towed back to shore due to issues with its mooring design) and permitting and installation of the proposed Port Judith project. Energetech is seeking an additional \$125,000 grants from the Fund for more micro-siting studies to be performed by URI.

The review process by FERC of the Declaration of Intention for the project requesting waiver of jurisdiction in favour of the CRMC and/or relief from certain FERC requirements is underway. Public comment is open on the Declaration until September 12th. ASA, the Narragansett-based consultants overseeing the environmental studies required for the permit applications to all regulatory authorities, held an informal scoping meeting this month with the CRMC. The purpose of the meeting was to ensure that the program of planned assessments would be adequate for the CRMC in their review of the likely environmental impacts. The meeting produced a positive response to the program. The studies are expected to begin in the next couple of weeks. The grant agreements for funding by Massachusetts Renewable Energy Trust have been amended to allow this work to move ahead. The amendments were required because the plan and schedule have changed since the original grant. An updated project plan, budget and timeline have also been prepared as part of this grant amendment.

- 10) Royal Mills Hydro – No update.

- 11) Rentricity – Rentricity is proceeding with preparing the FERC license exemption request for the Scituate project and the design of the Pawtucket project.

- a) Providence Water FERC Exemption Application – The first draft of the application was completed and submitted to Providence Water (PW) for comment. In addition, initial mechanical designs have been developed and presented to PW. Electrical plans in design and scheduled for completion the week of 9-12. Letters to relevant agencies are under development and final data gathering (surveys, location maps) started. The application will likely be completed in October following final management meetings with PW.
- b) Pawtucket Water Supply Board (PWSB) - A complete set of design drawings has been received from EarthTech - PWSB's AE and operator of the new water treatment plant being built. Rentricity has reviewed the documents and has a number of questions that are the focus of a conference call that is likely to occur with EarthTech by September 12. Assuming all of the operational and design interface questions are addressed, Rentricity expects to complete an initial design for review with PWSB by October 1.

- 12) Slater Mill Hydro Project –No update.

Voluntary Market Support – Customer Sited

- 13) Solar on Schools – See Entech Engineering update.

- 14) Low Income Solar – No update.

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- 15) Federal Tax Credits for Solar – CESA has begun a series of teleconferences to address the issues facing state funds as a result of the new Federal solar tax credit (see attached email.) The issues fall into 2 categories – how does the Federal credit affect state incentives and vice-versa (structural issues) and how can state funds take advantage of the Federal tax credit to increase the penetration of solar in the market.
- 16) CSG Warwick and Westerly Projects – CSG is requesting an extension of the commissioning date for these 2 projects until June 2006, with the understanding that they will do their best to have the projects completed by December 2005. Contracting issues (with the hosts) have held up these projects; the equipment has been procured.
- 17) C&I On-Site Wind, Hydro and Biomass Feasibility Study RFP –See attached draft and please provide comments to Nancy Selman.

Voluntary Market Support – Green Power

- 18) Renewable Energy Customer Aggregation (RECA) RFP and Proposal to Large Customer Program – See attached Think Energy update. Last month Think reported that the vendor is in discussions with a potential off-taker for the power and RECs from the wind project which is to supply RECs and commodity CFD to RECA. The vendor has suggested that either they will maintain some of the RECs to sell to RECA members or the project off-taker will sell some of the RECs to RECA through the vendor. However, a final structure is not anticipated until October 2005.
- 19) State House Green Power Purchase – Review of proposals has been completed and a recommendation forwarded to Purchasing. The winning proposal will be announced shortly.
- 20) GreenUp – As of the end of August, 2005, there have been a total of 2776 GreenUp signups, as compared to 2722 at the end of July, 2005. These are the numbers for the GreenUp customers for NECO. A meeting is being set up among the Fund, the Division, the marketers and National Grid to discuss how customer signups can be facilitated, that is, can the requirement for customer Narragansett Electric account numbers be relaxed?

Outreach and Education

- 21) Smartpower – See attached update (forthcoming.) Smartpower is looking for ways to build upon the quick success of the 20% by 2010 campaign in Providence by expanding its education campaign to other towns to show them how to purchase green power cost effectively and/or install renewable energy (such as solar) on site.
- 22) Audubon – The Fund will have its September Advisory Board meeting at Audubon to provide Audubon with the opportunity to showcase its educational display and curriculum as well as outreach activities conducted over the past year.

Administration

- 23) Steering Committee – The Governor's office has established a Steering Committee for the Fund. This committee will oversee and have final approval on all projects recommended by the Advisory Board. Members may include Purchasing, DOA, and the Governor's Policy Office.

